

MINUTES

North Dakota State Water Commission Bismarck, North Dakota

April 29, 1996

The North Dakota State Water Commission held a meeting in the lower level conference room at the State Office Building, Bismarck, North Dakota, on April 29, 1996. Governor-Chairman, Edward T. Schafer, called the meeting to order at 1:45 PM, and requested State Engineer, and Chief Engineer-Secretary, David A. Sprynczynatyk, to call the roll. The Chairman declared a quorum was present.

MEMBERS PRESENT:

Governor Edward T. Schafer, Chairman
Sarah Vogel, Commissioner, Department of Agriculture, Bismarck
Mike Ames, Member from Williston
Florenz Bjornson, Member from West Fargo
Judith DeWitz, Member from Tappen
Elmer Hillesland, Member from Grand Forks
Jack Olin, Member from Dickinson
Harley Swenson, Member from Bismarck
Robert Thompson, Member from Page
David A. Sprynczynatyk, State Engineer, and Chief Engineer-Secretary,
North Dakota State Water Commission, Bismarck

OTHERS PRESENT:

State Water Commission staff members
Approximately 30 people interested in agenda items

The attendance register is on file with the official minutes.

The meeting was recorded to assist in compilation of the minutes.

CONSIDERATION OF AGENDA

the agenda approved, and requested Secretary Sprynczynatyk to present the agenda.

There being no additional items for the agenda, the Chairman declared

CONSIDERATION OF MINUTES OF FEBRUARY 23, 1996, STATE WATER COMMISSION MEETING -

APPROVED

The minutes of the February 23, 1996, State Water Commission meeting were approved by the following

motion:

April 29, 1996

It was moved by Commissioner Olin, seconded by Commissioner Ames, and unanimously carried, that the minutes of the February 23, 1996, State Water Commission meeting be approved as prepared.

**CONSIDERATION OF MINUTES
OF APRIL 18, 1996, STATE WATER
COMMISSION TELEPHONE
CONFERENCE CALL MEETING -
APPROVED, AS AMENDED**

The minutes of the April 18, 1996, State Water Commission telephone conference call meeting were considered.

Secretary Sprynczynatyk explained that for clarity purposes, the following sentence be included on page 2, paragraph 2, of the April 18, 1996, minutes: "All additional costs for the Perkins County capacity are to be paid by Perkins County."

It was moved by Commissioner Olin, seconded by Commissioner Ames, and unanimously carried, that the minutes of the April 18, 1996, State Water Commission telephone conference call meeting be approved, as amended.

FINANCIAL STATEMENT -

Charles Rydell, Assistant State

AGENCY OPERATIONS

dated March 31, 1996, and reflecting 38 percent of the 1995-1997 biennium. *SEE APPENDIX "A".*

Engineer, presented and discussed the Program Budget Expenditures,

On March 20, 1996, the Office of Management and Budget presented the guidelines for preparation of the 1997-1999 biennium, requiring state agencies to prepare a 97 percent general fund budget.

**FINANCIAL STATEMENT -
RESOURCES TRUST FUND**

Charles Rydell reviewed and discussed the Contract Fund for the 1995-1997 biennium. *SEE APPENDIX "B".*

Mr. Rydell stated that the unallocated balance of the Resources Trust Fund is \$741,356. The State Water Commission has deferred \$194,170 for three projects, and there are several other potential requests in various stages of development. Although revenues into the Resources Trust Fund are approximately eight percent higher than projected, it was recommended that the State Water Commission continue to defer action on the three projects, and fund only those projects of high priority.

**SOUTHWEST PIPELINE PROJECT -
PROJECT UPDATE; CONTRACT
AND CONSTRUCTION STATUS
(SWC Project No. 1736)**

Tim Fay, Manager of the Southwest Pipeline Project, provided the following contract and construction status report. He noted that construction activity has not yet started, although cleanup activity has begun on contracts which were active last year:

Contract 4-1A - Raw Water Line Upgrade: The contract has been awarded to George E. Haggart, and the preliminary work is progressing.

Contract 7-1B - Davis Butte, Taylor, and New Hradec Rural Service Areas: Construction of this segment of the pipeline is essentially complete, although the clean-up work is incomplete. Negotiations continue relative to the outstanding issues of this contract.

Mr. Fay reported the upgrade of the water treatment plant is progressing well and the work is anticipated to be completed in June, 1996.

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF 1995 ANNUAL
OPERATING REPORT
(SWC Project No. 1736)**

The draft 1995 Annual Operating Report for the Southwest Pipeline Project was presented for the Commission's consideration. Tim Fay explained that the report details the operating activities, service volumes, income, and expenses for calendar year 1995. He said that during this period of time, the State Water Commission was the operating entity for the project.

It was the recommendation of the State Engineer that the State Water Commission approve the 1995 Annual Operating Report for the Southwest Pipeline Project.

It was moved by Commissioner Swenson and seconded by Commissioner Vogel that the State Water Commission approve the 1995 Annual Operating Report for the Southwest Pipeline Project. SEE APPENDIX "C".

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF 1996 WATER
SERVICE RATES
(SWC Project No. 1736)**

The Southwest Pipeline Project contract for water service states that an adjustment is to be made at the end of each year for the actual costs of operations, maintenance, and re-

placement. The contract allows an adjustment to the water rate for capital repayment costs based on the Consumer Price Index.

Pinkie Evans-Curry, Manager of the Southwest Water Authority, reviewed the operating income and expenses for 1995. The following projected service rates for 1996 were presented for the Commission's consideration:

Contract Users:	\$2.40 per thousand gallons
Rural Users:	\$2.55 per thousand gallons
Rural Monthly:	\$28.00 per month

Mrs. Evans-Curry stated that in conjunction with the 1996 capital repayment rate, in 1991 the State Water Commission approved a request from the city of Dickinson for credit for qualifying debt service according to the provisions of their water service contract. At that time, the Commission approved a schedule of declining annual credits. The annual credit for 1996 is \$147,309, for a monthly credit of \$12,276.

It was the recommendation of the State Engineer that the State Water Commission approve the projected service rates for 1996 for the Southwest Pipeline Project of \$2.40 per thousand gallons for contract users; \$2.55 per thousand gallons and \$28.00 per month for rural users; and a monthly debt service credit of \$12,276 for the city of Dickinson.

It was moved by Commissioner Ames and seconded by Commissioner Bjornson that the State Water Commission approve the following water service rates for 1996 for the Southwest Pipeline Project:

- 1) Contract Users: \$2.40 per thousand gallons*
- 2) Rural Users: \$2.55 per thousand gallons*
- 3) Rural Monthly: \$28.00 per month*
- 4) Monthly debt service credit of \$12,276 for the city of Dickinson*

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**SOUTHWEST PIPELINE PROJECT -
APPROVAL OF EXECUTION OF
AGREEMENT FOR SERVICE TO
PERKINS COUNTY, SD
(SWC Project No. 1736)**

On April 18, 1996, the State Water Commission passed a motion for the award of contract 2-4A/7-3 to Northern Improvement Company, Fargo, ND. This contract is for the construction of the Jung Lake service

area, including a 12-mile segment of transmission line, which is necessary to serve the cities of Reeder and Hettinger, as well as capacity for service to the Perkins County Rural Water System in South Dakota.

Tim Fay presented the draft water service contract for the Perkins County Rural Water System to the Commission for consideration.

Paul Adcock, Manager of the Perkins County Rural Water system, elaborated on details of the project, and expressed appreciation to the State Water Commission for its efforts to provide quality and quantity water to Perkins County. The draft water service contract has been approved by representatives of Perkins County and the State of South Dakota, and the agreement will be considered for execution at the board's next meeting.

Secretary Sprynczynatyk emphasized that in order for contract 2-4A/7-3 to move forward with capacity for service to the Perkins County Rural Water system in South Dakota, the water service agreement must be executed by the Perkins County Rural Water System board at the earliest date possible.

Secretary Sprynczynatyk said that recent discussions and negotiations have resulted in significant progress on the potential water service contract and, therefore, he is confident an agreement will be reached with Perkins County for delivery of project water to that area. It was recommended that the State Engineer be authorized to execute the water service contract with the Perkins County Rural Water System, contingent upon execution of the contract by Perkins County.

It was moved by Commissioner Bjornson and seconded by Commissioner Thompson that the State Engineer be authorized to execute the Southwest Pipeline Project water service contract with the Perkins County Rural Water System, contingent upon execution of the water service agreement by Perkins County. SEE APPENDIX "D" - EXECUTED AGREEMENT.

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

SOUTHWEST PIPELINE PROJECT - AUTHORIZATION FOR STATE ENGINEER TO EXECUTE DOCUMENTS FOR APPLICATION TO USDA-RURAL DEVELOPMENT FOR FUTURE PROJECT FUNDING (SWC Project No. 1736) - At its April 26, 1995, meeting, the Commission members passed a motion to file a pre-application with the Rural Economic and Community Development Service (RECDS) for funding for the Southwest Pipeline Project, contingent upon legal advice, and to continue to explore this option for continued development of the project.

The Commission members were informed at its July 19, 1995, meeting that the RECDS had reviewed the information provided to them and determined that the State Water Commission was eligible to participate in the program and that the pre-application was being processed.

At the November 29, 1995, meeting of the State Water Commission, Ray Scheetz, Director of the RECDS presented a letter which stated the pre-application had been approved.

On January 26, 1996, an application conference was held with the RECDS and the State Water Commission staff. The purpose of the conference was to begin the process of preparing a formal application for funding for the Bucyrus service area, which is the next component of the phased-development plan. The process will require different agreements for engineering and legal services, as well as the services of a bond counsel, which will be brought to the Commission as necessary.

Tim Fay explained the current efforts with the USDA-Rural Development (formerly the Rural Economic and Community Development Services) to develop an application for funding for the Bucyrus service area. As part of the application, standard documents requiring the Commission's execution were considered in order for the USDA-Rural Development to proceed with the application.

Potential funding sources for the completion of the Southwest Pipeline Project were discussed. Secretary Sprynczynatyk said one of the alternative funding sources being explored is the issuance of bonds up to the State Water Commission's statutory limitation of \$2

million. He said legislative approval would be required for the issuance of bonds beyond the statutory limitation, similar to the Northwest Area Water Supply project.

- 6 -

April 29, 1996

It was the recommendation of the State Engineer that the State Water Commission authorize the execution of the documents for completion of the application for USDA-Rural Development funding; and that the State Engineer be authorized to explore the issuance of bonds up to the State Water Commission's statutory limitation for construction of the Southwest Pipeline Project.

It was moved by Commissioner Olin and seconded by Commissioner Bjornson that the State Engineer be authorized to execute the documents for completion of the application for USDA-Rural Development funding; and that the State Engineer be authorized to explore the issuance of bonds up to the statutory limitation for construction of the Southwest Pipeline Project.

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**GARRISON DIVERSION PROJECT -
PROJECT UPDATE
(SWC Project No. 237)**

Warren Jamison, Manager of the Garrison Diversion Conservancy District, provided a status report on the Garrison Diversion project.

Mr. Jamison briefed the Commission members on the proposed plan for the completion of the Garrison Diversion project, and explained the funding expenditures that are being considered. The plan objectives include:

- 1) To complete the principal water delivery system to provide reliable, high quality water to the Red River valley, the Devils Lake basin, and the Oakes Test Area; and
- 2) To put into place a water and power fund that allows for further MR&I development as well as economic development throughout the state.

Draft legislation was provided to the Congressional Delegation in Washington, DC, in October, 1995. Mr. Jamison stated that he and others continue to work with the Governor and the Congressional Delegation for the completion of an affordable water distribution system for Missouri River water in North Dakota.

Mr. Jamison reviewed specifics of the plan, which has been designed to meet the state's most immediate, highest priority water needs, as well as future requirements. He said the reality of this situation is that, although drastically reduced in size and scope, this is a plan that will bring about completion of the project and, most importantly, provide numerous benefits to many people. It also reflects our responsibility to the federal budget crisis, environmental concerns, and North Dakota water issues. Some of the specifics include:

- Multi-purpose commitment to recreation, wildlife, flood control and agriculture**
- Seeks Pick Sloan revenues once earmarked for irrigation use be redirected to complete regional water systems and other priorities**
- Project scope scaled down by nearly 75 percent of original**
- Reduced need for federal funds from \$1 billion to \$400 million**
- Reduces scheduled flows in McClusky Canal from 2000 cfs to 450 cfs**
- Project's primary purpose redirected from irrigation to regional municipal, rural and industrial water systems**
- State assumes responsibility for project construction, operation and maintenance**

The plan, in its latest version, provides access to Missouri River water at reasonable costs for communities and industries in the Sheyenne, Red, and James River basins. It also provides for the stabilization of Devils Lake through a comprehensive basin-wide management program coupled with a common inlet for Missouri River water and an outlet, when needed, for floodwaters. Mr. Jamison stated that all assurances to Canada from the 1986 authorization remain intact, and all or most concerns are directly addressed, including the removal of biota in all water crossing the hydrologic divide between the Missouri River basin and the Hudson Bay drainage area.

Mr. Jamison stated that the Garrison Diversion Conservancy District is continuing to work with the power users and a broad-based group of interests, through the North Dakota Water Coalition, to identify the best way to assure that the state's water needs are met in the most cost effective way possible and that these valuable financial resources are not simply abandoned, but remain as intended, in the State of North Dakota.

Mr. Jamison made reference to a news article which appeared in the Fargo Forum on April 15, 1996, from the Clean Water Action, an organization of approximately 20,000 members throughout the Red River valley in North Dakota and Minnesota. The group called for a tax revolt against paying property taxes to the Garrison Diversion Conservancy District, petitioning the State Legislature to remove the counties of Cass, Grand Forks, Richland and Traill from the District, and demanding a refund for 40 years of hidden taxes. Mr. Jamison explained that since the formation of the District, approximately \$5.4 million dollars have been contributed in taxes from the valley. Approximately \$6.5 million dollars in direct benefits have been made available to the valley from the MR&I program, primarily to the counties of Cass, Grand Forks, and Richland. He added that the real direct benefit is yet to come to the valley, and "that is a reliable, high-quality, and affordable supply of water in the future."

**GARRISON DIVERSION PROJECT -
MR&I FUNDING FOR FY 1997
(SWC Project No. 237-3)**

Warren Jamison provided information relative to the Garrison Diversion Unit need for \$26.2 million for Fiscal Year 1997. This request includes \$16 million for the MR&I Water Supply program.

The Administration's budget for Fiscal Year 1997 includes \$21.6 million for the Garrison Diversion Unit in order to continue assistance to the rural communities still in dire need of a reliable water supply. On April 17, 1996, Secretary Sprynczynatyk and Mr. Jamison appeared before the House Subcommittee on Energy and Water, Committee on Appropriations, in Washington, DC, to request that an additional \$4.5 million be appropriated to allow rural water systems in Ransom, Sargent, Morton, Burleigh and Cavalier Counties to continue the construction needed to provide a reliable water supply to their areas.

**GARRISON DIVERSION PROJECT -
MR&I WATER SUPPLY PROGRAM
(SWC Project No. 237-3)**

Jeffrey Mattern, MR&I Water Supply Program Coordinator, provided the following report:

Burleigh Water Users: The project bid opening was held on April 10, 1996. Northern Improvement Company submitted the low bid on the water pipeline contract, and Advanced Tank and Construction submitted the low bid on the water storage tank construction. Construction is scheduled to begin after the contracts have been awarded.

Dickey Rural Water Project: The water treatment plant construction is continuing on the interior components. The pipeline construction for the water distribution system will begin this spring.

Grand Forks Water Treatment: The city has completed modifying the water treatment plant's main existing clear well and work is continuing on the other required water plant modifications.

Missouri West Rural Water Project: The system design is anticipated to be completed in 1996, with possible phased construction in the spring of 1997.

Northwest Area Water Supply Project: (See Northwest Area Water Supply project section in these minutes for complete status report.)

Pierce County Rural Water Project: The feasibility study is scheduled for mid-1996.

Ransom-Sargent Rural Water Project: The engineer is working on the feasibility study.

Southwest Pipeline Project: (See Southwest Pipeline Project section in these minutes for complete status report.)

**GARRISON DIVERSION PROJECT -
MR&I SUBCOMMITTEE REPORT
(SWC Project No. 237-3)**

The Municipal, Rural and Industrial Water Supply Program (MR&I) has been in existence since 1986, with the original funding authority of \$200

million. Secretary Sprynczynatyk stated that the MR&I subcommittee, composed of State Water Commission members and Garrison Diversion Conservancy District members, held a series of meetings in 1995 to review the amount of money that remained in the MR&I program, which was approximately \$88 million. In September of 1995, a recommendation was made by the North Dakota Water Coalition on how the remaining MR&I money should be allocated. After this was done, there were several other projects that came forward and indicated they did not have an opportunity to be involved in some of the previous meetings.

On March 28, 1996, the MR&I subcommittee held a meeting at which time representatives from the Williams Rural Water Association, Stutsman Rural Water Users, Benson Rural Water Users, and other project sponsors were provided an opportunity to present their projects.

Secretary Sprynczynatyk stated that the 1986 authorization of \$200 million for the MR&I program is not adequate to meet North Dakota's water supply needs across the state. He said there are efforts underway through the State Water Commission and the Garrison Diversion Conservancy District to increase the authorization, and it is important that the Congressional Delegation be made aware of the needs as well, since Congress is where the final action will be taken.

The MR&I subcommittee passed a motion at its March 28, 1996, meeting that Secretary Sprynczynatyk and Warren Jamison review the material that was presented at the subcommittee meeting and present a recommendation for the subcommittee's consideration at a future meeting.

Ray Nelson, President of the Benson County Rural Water Users, appeared before the State Water Commission to reiterate the project comments that were provided at the March 28, 1996, subcommittee meeting. (The minutes of the March 28, 1996, subcommittee meeting are on file at the State Water Commission.)

**DEVILS LAKE -
HYDROLOGIC UPDATE
(SWC Project No. 1712)**

Secretary Sprynczynatyk reported the current level of Devils Lake is at elevation 1436.1, which is about three-tenth of a foot above where the lake peaked last year in late July. The current forecast is for a peak lake elevation in 1996 between elevation 1437.5 and 1438.0, which represents a 2.5 to 3.0 foot increase above the current lake elevation. Secretary Sprynczynatyk said this represents a lake elevation approximately 1.5 to 2.0 feet above the 1995 peak elevation of 1435.8, which is greater than normal runoff and will likely cause the lake to peak in late July or early August.

Secretary Sprynczynatyk said the National Weather Service, the U.S. Geological Survey, the Corps of Engineers, the Division of Emergency Management, and the State Water Commission are directly involved with flood forecasting. Area residents, landowners, and state and local agencies will need timely, accurate projections to help them decide their best course of action.

**DEVILS LAKE EMERGENCY
RESPONSE PLAN -**

Secretary Sprynczynatyk provided a status report on the Devils Lake

DEVILS LAKE - STUMP LAKE

Emergency Response plan, which is

**PUMPING COMPONENT
STATUS REPORT**

a short-term emergency flood control measure to alleviate flood conditions

(SWC Project No. 1882)

around Devils Lake in 1996 and 1997 while long-term flood reduction

alternatives are being evaluated. The plan consists of two critical components: (1) pumping water from east Devils Lake to Stump Lake; and (2) upper basin water retention.

The Stump Lake component of the plan consisted of pumping approximately 87,000 acre-feet of water from east Devils Lake to Stump Lake, at a rate of approximately 250 cubic feet per second.

Secretary Sprynczynatyk said this component would have provided 1.2 feet of relief

- 11 -

April 29, 1996

for Devils Lake which, in turn, would have raised Stump Lake approximately 10 feet. The one-time pumping operation would have taken six months. The state recognized that landowners along the route and around Stump Lake would incur some long-term impacts on the productivity of their land, so financial compensation was offered accordingly.

Secretary Sprynczynatyk said even with compensation to landowners and concessions for environmental impacts, the Stump Lake pumping project generated enough local opposition to stall its implementation. County officials and landowners expressed concerns that if an outlet to Stump Lake could be included in the project, most of their opposition could be eliminated. Secretary Sprynczynatyk said, unfortunately, a Stump Lake outlet would create significant impacts to people living downstream.

Secretary Sprynczynatyk stated that some of the land acquired for the Stump Lake pumping project will be used for upper basin flood storage. Permits and easements obtained thus far are valid until the end of 1997, therefore, he said it is possible the project can still go forward if local concerns can be satisfied and more landowners agree to participate.

**DEVILS LAKE UPPER BASIN
WATER RETENTION PROGRAM
STATUS REPORT
(SWC Project No. 1882)**

Secretary Sprynczynatyk stated that a very critical part of the Devils Lake Emergency Response Plan includes the upper basin water retention component. Upper basin storage will be

obtained from landowners willing to participate in a voluntary program.

Secretary Sprynczynatyk briefed the Commission members on the Available Storage Acreage Program (ASAP), which was designed in the Devils Lake Water Management Plan to control floodwaters in areas upstream from Devils Lake. The 1996 goal for the program was 75,000 acre-feet of storage with about half of that to be obtained by holding the water levels a foot or two higher in the basin's larger upstream lakes. The balance would be gained on smaller tracts of the basin that contribute runoff to Devils Lake. He said it appears the ASAP will only meet a small percentage of its goal in 1996, however, storage sites that are implemented this year may become a catalyst to encourage others to participate next year, since it is expected that Devils Lake will continue to rise.

The response to upper basin storage has increased over the last two months and, currently, well over 100 applications have been received. Secretary Sprynczynatyk said if all of the sites applied for could be implemented, they would keep nearly 15,000 acre-feet of water from reaching Devils Lake. The State Water Commission staff is processing the applications and offering contracts to those with sites that meet the program criteria, are within the approved compensation range, and can hold water in early 1996.

The program criteria remains the same since the program was developed. The water storage sites must hold water beyond normal or previous levels (i.e. drained wetland would have no previous level, therefore, any water could count) and drain into Devils Lake. Not pumping from permitted pumping sites also qualifies for the program if it will keep water out of Devils Lake.

The compensation paid to landowners for water storage has ranged from \$25 per acre for a site also enrolled in CRP to \$125 per acre for a high-water capacity site with low construction costs. Secretary Sprynczynatyk stated that presently a justifiable payment threshold for storage sites is approximately \$60 per acre-foot, although exceptions may be made. This price includes the cost to lease the land and the cost of building any water retention structures. A threshold price based on acre-feet (volume) allows the sites with the ability to hold more water to receive a higher per-acre payment.

At the April 18, 1996, Commission meeting, a motion was passed approving the obligation of an additional \$175,000 from the Contract Fund for the ASAP to complete water storage sites on applications that can be in place to catch, and hold, water in the spring of 1996. The Commission also passed a motion approving the re-allocation of \$50,000 from the Contract Fund to the ASAP, which was previously approved to the Devils Lake Joint Water Resource Board for the storage of water on CRP land in the Devils Lake basin.

Commissioner Vogel requested that the State Water Commission be provided an opportunity to review the Devils Lake Available Storage Acreage Program, and to explore the adaptation of the Water Bank Program for upper basin storage.

**DEVILS LAKE -
CORPS OF ENGINEERS
CONTINGENCY PLAN
(SWC Project No. 1712)**

Secretary Sprynczynatyk stated that the North Dakota Congressional Delegation and the Assistant Secretary of the Army, Civil Works, had agreed that the Corps of Engineers would

prepare a Devils Lake Contingency Plan by December 1, 1995, identifying measures that could be implemented in response to lake levels that might occur this coming spring and summer. He said the Contingency Plan is:

- to include not just measures the Corps or other federal agencies might be responsible for, but also measures state and local authorities might undertake on their own initiative;
- to address criteria for selecting each measure, requirements to implement each measure, the agency responsible for accomplishing each measure, and each measure's estimated cost and execution schedule; and

- to be fully coordinated with appropriate federal and state agencies and local interests. In particular, Corps efforts are to compliment and be coordinated with FEMA Task Force Oversight committee plans to implement Task Force recommendations.

The Corps of Engineers' Contingency Plan was distributed to the Commission members at its February 23, 1996, meeting. The report was presented as a chart describing all available options identified thus far to reduce flood damages on Devils Lake. Each component of the chart includes a description of the work proposed, likely impacts, a cost estimate, and responsible entities. Secretary Sprynczynatyk said the proposed Contingency Plan will serve as a vital aid for decision-makers in the prudent selection of appropriate measures under various lake rise scenarios.

In response to comments made at the Federal Emergency Management Agency - Devils Lake Task Force public forum held on February 23, 1996, the Corps of Engineers changed the high lake elevation scenario from 1438.5 to 1438.0 in the report. Secretary Sprynczynatyk explained that elevation 1438.0 is a trigger elevation for the Corps to move forward with the advanced planning for the outlet for Devils Lake.

**DEVILS LAKE -
FEDERAL EMERGENCY
MANAGEMENT ASSOCIATION
INTERAGENCY TASK FORCE UPDATE
(SWC Project No. 1712)**

Secretary Sprynczynatyk briefed the Commission members on an Inter-agency Task Force effort underway through the Federal Emergency Management Association (FEMA). The effort involves identification of

the Devils Lake problems and to propose solutions to the various flooding impacts in the basin which could be implemented within five years.

The final report of the FEMA Devils Lake Interagency Task Force has been completed, and copies were provided to the Commission members. Secretary Sprynczynatyk summarized the report, which includes six tasks that should be done in order to lay the ground work for 18 action items to help alleviate flooding.

Secretary Sprynczynatyk provided a briefing of the Task Force's conference call meeting held April 25, 1996. He said monthly meetings are held to ensure there is adequate coordination and communication at the federal, state, and local levels on the efforts to provide flood control at Devils Lake.

**DEVILS LAKE
FEASIBILITY STUDY -
APPROVAL OF ADDITIONAL
\$35,500 FROM CONTRACT
FUND FOR PHASE 2A OF
DEVILS LAKE FEASIBILITY
STUDY
(SWC Project No. 416-1)**

Secretary Sprynczynatyk reported that the State Water Commission and the Corps of Engineers are negotiating an agreement for further work on the Devils Lake Feasibility Study, Phase 2A. In 1995, the Corps of Engineers, Bureau of Reclamation, State Health Department, State Game and Fish Department, and State

Parks and Recreation developed a plan of study for the feasibility study, which outlines the work items that need to be accomplished. The total cost for the feasibility study was estimated at \$7.2 million. The Corps requires a non-federal sponsor and 50 percent non-federal cost share for feasibility studies, of which up to one-half can be in-kind services.

Secretary Sprynczynatyk stated that the Corps of Engineers has provided the State Water Commission with an agreement for the portion of the feasibility study that could be completed during the next year. He explained that executing the agreement for this phase would not obligate the State Water Commission to the remaining phases of the feasibility study, but additional amendments should be expected. Phase 2A includes funds for upper basin storage evaluations; mapping, soil investigations, and environmental studies for an outlet; and water quality monitoring and evaluation.

On July 2, 1993, the State Water Commission approved the Phase 1 agreement of the Devils Lake Feasibility Study, and allocated \$500,000 from the Contract Fund. On July 19, 1995, the State Water Commission re-approved the balance for Devils Lake long-term studies, of which approximately \$375,000 remains unobligated.

On February 23, 1996, the State Water Commission authorized the State Engineer to enter into an agreement for Phase 2A of the Devils Lake Feasibility Study, and approved the allocation of \$300,000 for the study from the funds presently allocated from the Contract Fund for Devils Lake long-term studies.

Secretary Sprynczynatyk explained that initially Phase 2A was estimated to cost \$1.2 million, of which a 25 percent cash payment is required. He said that recently the Corps has recommended some adjustments to Phase 2A which has increased the total cost to \$1,260,000; therefore, the total cash payment to the Corps is increased to \$315,000. In addition, any contracts the State Water Commission signs with the U.S. Geological Survey, or a private contractor counts as in-kind services, and not as cash. As a result, Secretary Sprynczynatyk said the total amount required from the Contract Fund for Phase 2A is increased to \$335,500. This includes a \$16,000 contract with KBM for aerial photography above the upper Sheyenne River, and \$24,000 of contracts with the U.S. Geological Survey for mapping and streamflow monitoring.

It was the recommendation of the State Engineer that the State Water Commission approve an additional allocation of \$35,500 for Phase 2A of the Devils Lake Feasibility Study from the Contract Fund from the funds presently allocated for the Devils Lake long-term studies. This would increase the total State Water Commission contribution for Phase 2A of the study to \$335,500.

It was moved by Commissioner Hillesland and seconded by Commissioner Ames that the State Water Commission approve the allocation of an additional \$35,500 for Phase 2A of the Devils Lake Feasibility Study, from the funds previously allocated from the Contract Fund for the Devils Lake long-term studies. This will increase the total State Water Commission allocation to \$335,500 for Phase 2A of this study. This motion is contingent upon the availability of funds.

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**DEVILS LAKE -
UNITED STATES-CANADA
JOINT TECHNICAL COMMITTEE
(SWC Project No. 416-1)**

Secretary Sprynczynatyk provided historical background on the Devils Lake basin, which has been considered a closed sub-basin of the Hudson Bay drainage for many

centuries. In the past, the Devils Lake chain of lakes overflowed through Stump Lake and Tolna Coulee to the Sheyenne River. A transfer of water from Devils Lake, via a constructed outlet to the Sheyenne River (Hudson Bay drainage) is one of the proposals being considered to relieve serious flooding concerns. Complicating the situation is a concern that hydrologic, water quality, and biological effects of a transfer could extend down the Sheyenne River into the Red River of the North and ultimately into Lake Winnipeg, potentially affecting Canadian interests throughout the Nelson River system.

A United States-Canadian Joint Technical Committee (JTC), composed of federal, North Dakota, and Manitoba agency officials has been investigating the technical aspects of potential impacts to Canada relative to the Boundary Waters Treaty of 1909.

In January, 1996, the JTC convened a 12-member United States-Canada working group to evaluate the hydrologic, water quality, and biological effects of a proposed outlet from Devils Lake and the potential for various violations of Article IV of the United States-Canada Boundary Waters Treaty of 1909, which states "that water flowing across the boundary will not be polluted to the injury of health or property of the other country."

Secretary Sprynczynatyk reported the Devils Lake working group completed its efforts, and a report has been provided to the JTC.

The Canada and United States governments are continuing negotiations for the terms of reference to further guide the work of the JTC.

**DEVILS LAKE -
EMERGENCY MANAGEMENT
COMMITTEE REPORT
(SWC Project No. 416)**

Vern Thompson, Co-Chairman of the Devils Lake Emergency Management Committee, appeared before the State Water Commission to address its efforts to find solutions to the

problems in the Devils Lake area. Mr. Thompson, on behalf of the committee, expressed appreciation to the State Water Commission and the staff for its time and assistance in addressing the Devils Lake flood problems.

**NORTHWEST AREA WATER
SUPPLY PROJECT UPDATE
(SWC Project No. 237-4)**

James Lennington, Project Coordinator for the Northwest Area Water Supply project, reported on the testing of the effectiveness of the

chloramination of raw water from Lake Audubon and Lake Sakakawea. Canadian representatives to the Garrison Joint Technical Committee (GJTC) have agreed that if chloramination can satisfy the disinfection requirements of the Environmental Protection Agency, then the project is potentially acceptable to Canada from the technical standpoint of biota transfer, but will still have to be reviewed for final consideration. Samples of Lake Audubon and Lake Sakakawea water were collected on November 7, 1994, January 9, 1995, March 12, 1995, May 16, 1995, and August 11, 1995.

The draft report of the test results was received on December 18, 1995. The report was presented to the GJTC at its January 19, 1996, meeting in Minneapolis. Two representatives of Montgomery Watson, the engineering firm performing the tests, were at the meeting to present the report. Mr. Lennington stated that the test results show that both chloramination and ozonation can inactivate 99.9 percent of Giardia cysts and 99.99 percent of the virus present in the water by the time the water reaches the Continental Divide. This was the technical criteria established by the United States-Canadian Consultative Group for the project's acceptance by Canada.

Mr. Lennington stated that the report was well received by the Canadian representatives present at the meeting. He said staff is working with the Bureau of Reclamation and other agencies to provide information relative to the historical water quality data for Lake Sakakawea and Lake Audubon for comparison with the test conditions. Written comments from the Canadian members are expected after the water quality data is provided and the report is reviewed by water quality experts in Canada.

Assuming all goes well with the GJTC, Mr. Lennington said the next step in the construction of the Minot phase of the project will be to satisfy the requirements of the National Environmental Policy Act (NEPA). This would include the development of an environmental assessment, which will include the environmental, social, and cultural impacts of all project alternatives as well as public input. After the environmental assessment has been prepared, the Bureau of Reclamation will make a determination as to whether impacts from the project are significant or not. If the Bureau decides that the impacts are significant, an Environmental Impact Statement (EIS) will have to be prepared. If the Bureau rules that the impacts are not significant, a Finding Of No Significant Impact (FONSI) will be issued and the project can proceed.

**NORTHWEST AREA WATER
SUPPLY PROJECT -
NAWS COALITION
(SWC Project No. 237-4)**

James Lennington stated that the the Northwest Area Water Supply Coalition was organized on April 22, 1996. Vern Fahy was appointed chairman of the coalition. Mr.

Lennington stated it is the intent of the coalition to have representation at meetings of the State Water Commission and the Garrison Diversion Conservancy District.

Wanda Emerson, Mayor of Mohall, and a member of the Northwest Area Water Supply Advisory Committee, was introduced.

**NORTHWEST AREA WATER
SUPPLY PROJECT -
APPROVAL OF CONSTRUCTION
PRIORITIES LIST
(SWC Project No. 237-4)**

On March 13, 1996, the Northwest Area Water Supply Advisory Committee passed a motion recommending a list of project construction priorities. The list of construction priorities was developed in response

to a request from the North Dakota Water Coalition to show the construction schedule and funding shortfall. James Lennington explained that the committee approved recommending the list with the understanding that it was meant only as a guide and could be adjusted in the future. He said the cost estimates were developed by adjusting the cost estimates in the NAWS Pre-final Design Final Report. The list of construction priorities and the map are attached hereto as *APPENDIX "E"*.

It was the recommendation of the State Engineer that the State Water Commission adopt the list of construction priorities for the Northwest Area Water Supply project as presented, with the understanding that the list is only a guide and can be adjusted in the future, and that it is dependent upon the availability of funds.

It was moved by Commissioner Ames and seconded by Commissioner Olin that the State Water Commission adopt the list of construction priorities for the Northwest Area Water Supply project as presented, with the understanding that the list is only a guide and can be adjusted in the future, and that it is dependent upon the availability of funds.

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**NORTHWEST AREA WATER
SUPPLY PROJECT -
AUTHORIZATION FOR STATE
ENGINEER TO EXECUTE**

At the January 12, 1996, meeting, the Commission passed a motion accepting the recommendation of the selection committee that Houston

CONTRACT WITH HOUSTON

Engineering was the most qualified

**ENGINEERING FOR FINAL
DESIGN ENGINEERING AND
CONSTRUCTION SERVICES
(SWC Project No. 237-4)**

firm to do the final design engineering and construction services for the Northwest Area Water Supply project, and directed the State Engineer to initiate negotiations with

Houston Engineering for a contract for the proposed engineering work. In the event a contract cannot be negotiated with Houston Engineering, the negotiations would then be initiated with the second most qualified firm, John Corollo Engineers.

Secretary Sprynczynatyk presented a draft contract for the final design engineering and construction services for the Northwest Area Water Supply project for the Commission's consideration. As part of the review by the Attorney General's office, the contract has been reviewed by the Office of Management and Budget's risk management consultant, and changes have been made in the areas of liability, insurance, and indemnification. He said agreement has been reached in all areas of the draft contract, except for indemnification and insurance. Negotiations continue on these issues with the Office of Management and Budget, the Department of Transportation, and the engineer.

Julie Krenz, Assistant Attorney General for the State Water Commission, explained that the State of North Dakota does not have sovereign immunity, thus the Office of Management and Budget, Division of Risk Management, has adopted language relating to indemnification and insurance for state agencies to use in their contracts to ensure protection for the state.

It was the recommendation of the State Engineer that the State Water Commission authorize the execution of the contract with Houston Engineering for the final design engineering and construction services for the Northwest Area Water Supply project, contingent upon the successful negotiation between the state and the engineer on the issues of indemnification and insurance.

It was moved by Commissioner Swenson and seconded by Commissioner Thompson that the State Water Commission authorize the State Engineer to execute the contract with Houston Engineering for the final design engineering and construction services for the Northwest Area Water Supply project, contingent upon the successful negotiation between the state and the engineer on the issues of indemnification and insurance.

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**DEFERRAL OF REQUEST FROM
OAK CREEK WATER RESOURCE
DISTRICT FOR COST SHARING
FOR GARDENA FLOOD CONTROL
PROJECT
(SWC Project No. 1056)**

A request from the Oak Creek Water Resource District was presented for the Commission's consideration for cost sharing for construction of the Gardena Flood Control project.

Cary Backstrand, State Water Commission's Water Development Division, presented the request. The proposed project consists of cleaning and grading the north and south road ditches of the Gardena road and installing culverts with control gates to regulate the flow. The amount of water flowing west into Stone Creek would be reduced as well as ponding on land northeast of Gardena. The proposed drainage will be along an existing sectionline and discharged into the Oak Creek Drain.

The Oak Creek Water Resource District approved the drain permit. Because the state determined the drain was not of interdistrict nor statewide significance, the board approval constituted a permit to construct the project. It has been determined there are wetlands adjacent to the project, therefore, the District is in the process of obtaining permits from the Corps of Engineers and the Natural Resources Conservation Service. The construction plans indicate the construction of dikes along the drain at the adjacent wetlands.

The estimated cost of the project is \$29,841, with eligible costs of \$29,441. Under the State Water Commission's policy and guidelines for cost sharing, 40 percent of the eligible project costs qualify for cost sharing. The request before the State Water Commission is to cost share in the amount of \$11,776.

It was the recommendation of the State Engineer that due to the revenue situation in the Resources Trust Fund, the State Water Commission defer action on the request for cost sharing for the Gardena Water Control project.

**APPROVAL OF REQUEST FROM
HIGH VALUE IRRIGATED CROPS
TASK FORCE FOR EXPENDITURE
OF \$2,000 TO SUPPORT ACTIVITIES
FOR 1996
(SWC Project No. 1389)**

A request was presented for the Commission's consideration from the High Value Irrigated Crops Task Force for cost sharing for 1996. The State Water Commission has supported the task force during the past four years in the amount of \$2,000.

The task force is made up of representatives of organizations from the public and private sector, including rural electric cooperatives, investor-owned electric utilities, local economic development organizations, and governmental entities. Funds from these organizations match a grant of \$17,000 from the Agricultural Products Utilization Commission. These funds match funds from the North Dakota State University Extension Service one-for-one, which support one full-time coordinator position. All organizations have been supporting the task force activities since 1992.

Through its coordinator, the task force has provided major assistance in several projects involving high value crops. Examples include the organization of the Central Dakota Growers, a potato processing plant currently under construction near Jamestown; Northern Produce, a carrot packing and storage facility at Hatton; and establishing the North Dakota Garlic Association.

In 1996, the task force will focus on potential opportunities in vegetable production. Many contacts have been made within the vegetable industry, and a current project consists of the evaluation of forming an association for the processing and marketing of vegetables.

The diversification of the state's agricultural production base to high value crops and their processing is a significant component of economic development activities. Much of the acreage devoted to these crops will be irrigated, and the creation of opportunities in high value crops will stimulate new irrigation development. The coordinator provides general information on water resources, water rights, and irrigation districts.

It was the recommendation of the State Engineer that because the activities of the task force are continuing to be successful in developing new opportunities in the development of the state's water resources and economy, the State Water Commission approve the expenditure of \$2,000 for 1996 from the Contract Fund.

It was moved by Commissioner Vogel and seconded by Commissioner Bjornson that the State Water Commission support the activities of the High Value Irrigated Crops Task Force, and approve the expenditure of \$2,000 for 1996 from the Contract Fund. This motion is contingent upon the availability of funds.

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**RE-CONSIDERATION OF
MCHUGH SLOUGH COST
SHARE REQUEST
(NELSON COUNTY)
(SWC Project No. 1132)**

At the February 23, 1996, meeting, the State Water Commission approved an additional \$10,000 for the McHugh Slough, Phase I, preliminary engineering study. This expenditure increased the total State Water Commission contribution to \$20,000.

The Nelson County Water Resource District indicated in its request letter of December 6, 1995, that at least part of this increase in costs was due to the Devils Lake to Stump Lake pumping plan that potentially eliminated Stump Lake as an outlet for McHugh Slough water. Secretary Sprynczynatyk said that as a result, Nelson County elected to investigate an alternative plan - McHugh Slough to the Forest River.

At the February 23, 1996, State Water Commission meeting, a motion was made by Commissioner Vogel, and seconded by Commissioner Swenson, to approve the expenditure of \$18,500 to the Nelson County Water Resource District for additional costs incurred on the McHugh Slough, Phase 1, preliminary engineering study. In discussion of the motion, the Commission directed the State Engineer and staff to work with the Nelson County Water Resource District to provide additional information relative to the project for the Commission's consideration at its next meeting. Subsequently, the Commission passed a motion to lay the question on the table until its next meeting.

It was moved by Commissioner Swenson, seconded by Commissioner Vogel, and unanimously carried, that the State Water Commission take the question from the table.

Secretary Sprynczynatyk informed the Commission members that the staff has discussed this matter with the Nelson County Water Resource Board, and had attended a meeting in Lakota on April 12, 1996. Nelson County is currently considering three alternatives to remove sheetwater from McHugh Slough: (1) a gravity open channel from McHugh Slough to Stump Lake or the Sheyenne River, of which a considerable portion of the land along this route is under U.S. Fish and Wildlife easement; (2) a pipeline from McHugh Slough to Stump Lake or the Sheyenne River, at an estimated cost of \$2 to \$4 million; and (3) a pumped outlet from McHugh Slough to the Forest River, which would affect several downstream dams.

Secretary Sprynczynatyk stated the flooding around McHugh Slough is a serious problem and any solution will be complex and expensive. He said it was wise for Nelson County to look at several options, especially in view of the cost of the project alternatives. He said the Devils Lake Emergency Response Plan to pump water from Devils Lake to Stump Lake did not eliminate the Sheyenne River as an outlet, and that the plan did not affect the final course of action with McHugh Slough.

It was the recommendation of the State Engineer that because the study of all three alternatives was the best course of action for the Nelson County Water Resource District, regardless of the Stump Lake pumping plan, that the State Water Commission not increase the cost share amount approved on February 23, 1996.

It was moved by Commissioner Vogel, seconded by Commissioner Swenson, and unanimously carried, that the motion to approve the expenditure of \$18,500 to the Nelson County Water Resource District for additional costs incurred on the McHugh Slough, Phase 1, preliminary engineering study be withdrawn.

It was moved by Commissioner Swenson and seconded by Commissioner DeWitz that the State Water Commission concur with the recommendation of the State Engineer that the cost share amount approved on February 23, 1996, for the McHugh Slough, Phase 1, preliminary engineering study, not be increased.

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

1996 FLOOD UPDATE

Secretary Sprynczynatyk provided the Commission members with a status report on the 1996 spring flooding. He referred to areas in the state where flooding is occurring, but he said the most critical areas are in the Devils Lake basin and the lower Red River valley. The State Water Commission staff is working with the local people and other agencies to help provide relief in the respective flooded areas.

Secretary Sprynczynatyk made reference to the Canadian project on the Aux Marais drainage system and flooding that has occurred on the United States side due to overflow from the Pembina River. He said there have been recent discussions with federal, state and provincial representatives in an effort to resolve the issue.

Steve Hoetzer, American Engineering, addressed a situation northeast of Kensal, North Dakota, that has experienced above normal runoff resulting in the perpetual inundation of approximately 6,000 acres of land and the deterioration of numerous roads, road crossings, and farmsteads in Griggs, Foster and Stutsman Counties. The water resource districts of these three counties have been working together to formulate a drainage and channel improvement project for this area in order to reduce the damages to the area. American Engineering is doing a preliminary engineering study on the feasibility of such a project and some preliminary design. A request for cost sharing assistance in the preliminary engineering study is being reviewed by the State Water Commission staff.

**DICKINSON DAM/
PATTERSON LAKE TITLE
TRANSFER UPDATE
(SWC Project No. 263)**

At the October 14, 1994, meeting, the Commission members were advised the city of Dickinson was interested in assuming ownership and responsibility of the Dickinson Dam and Patterson Lake from the U.S. Bureau of Reclamation.

The State Water Commission staff and representatives of the city of Dickinson completed a plan titled "Patterson Lake Area Recreation and Environment Enhancement Project," which addressed the issues associated with the transfer of Dickinson Dam and Patterson Lake

from the Bureau to the city. The plan was provided to the Congressional Delegation for their information in preparing federal legislation that would transfer the dam and the lake to the city. The city was hoping last spring that legislation for transferring the title would be introduced in November of 1995. That legislation was not written, primarily because the Bureau of Reclamation published guidelines in August, 1995 regarding the transfer process. The transfer process is now proceeding following the Bureau's transfer guidelines.

Eleven steps are outlined in the Bureau's transfer guidelines. These steps include conducting public forums, defining transaction costs involved with the transfer, negotiating the price of the dam/lake for transfer, and ensuring compliance with federal laws.

On April 8, 1996, the first public forum was held in Dickinson to solicit stakeholder views and to explain the transfer process and status of discussions to the public. Charles Rydell stated that no new concerns were raised at the forum that would complicate the transfer process.

The city of Dickinson and the Bureau of Reclamation must agree on a Memorandum of Understanding to specify who pays for the transaction costs of the transfer before the process can proceed. After the Memorandum of Understanding has been executed, a cultural resource evaluation will begin. Mr Rydell said an open house is planned to show the public some cultural resource site digs. Preliminary information generated from that evaluation, along with information from a scoping process, will be used to complete environmental compliance requirements. The estimated cost to conduct the cultural resource evaluation and the environmental compliance review is \$150,000. The city has been informed by the Bureau of Reclamation that the Bureau does not have funds for these evaluations, thus, the city or other entities must pay this cost.

Mr. Rydell explained that one of the last major steps is to negotiate the price for the transfer. The negotiation sessions will be between the city and the Bureau of Reclamation, but will be open to public observation and comments.

Secretary Sprynczynatyk stated he recently had the opportunity to discuss the transfer of the Dickinson Dam with the Bureau of Reclamation's new Commissioner, Eluid Martinez, who was very supportive of the transfer of the facility to the city and has urged his staff to proceed.

The State Water Commission staff continues to aid Dickinson officials through the transfer process. The city is now hoping that legislation for transferring the title can be introduced in August or September of this year.

**MISSOURI RIVER UPDATE
(SWC Project No. 1392)**

Secretary Sprynczynatyk reported that since May, 1995, the Missouri River Basin Association has been working with a team of consensus-building experts to reach agreement on issues that have divided the basin's states and tribes in the past. Over the past winter, various issues have been discussed in depth, papers have been presented which outlined the problems and possible solutions, and the aid of several agencies and committees have been enlisted.

In February, 1996, the Missouri River Basin Association directors decided to initiate a basin-wide monitoring program, which would document the current hydrological and biological conditions of the river system and would track the effectiveness of programs designed to improve the basins's fish and wildlife resources. The directors also decided to recommend that the Corps of Engineers drop the idea of a spring rise and acknowledge in the Master Manual that tribal water rights exist. The Association directors reached agreement on these issues and discussed various other issues as part of their continuing efforts to exert a stronger influence over water policy decisions by presenting a united front to the federal government. Secretary Sprynczynatyk said that by this summer, the Association directors plan to deliver a list of recommendations to the Corps and other federal agencies.

Secretary Sprynczynatyk said that during the past several months, the Missouri River Basin Association has developed a planning process to recommend the best methods for maximizing basin water uses and interests. The planning effort will involve representation of the basin's primary water interests with state and tribal representatives in a search for ways to obtain maximum benefit for all water uses. The following goals have been identified to meet the needs of the water users and guide the management and operation of the Missouri River:

- **Recreation Goal.** Promote the stability and growth of recreational use of the river through water management, economic assistance and recreational planning.
- **Navigation Goal.** Promote the stability and growth of navigation on the Missouri River system through water management, economic assistance, and transportation planning.
- **Water Supply Goal.** Enhance water supply in the basin for municipal, rural, industrial, irrigation, and agricultural use.
- **Habitat Goal.** Identify a comprehensive set of programs, both new and existing, that can enhance habitat within the basin.

- **Bank and Shoreline Integrity Goal.** Maintain the integrity of river banks and lake shoreline where appropriate throughout the system to protect present and future water uses.
- **Flood Control Goal.** Operate the Missouri River system to maintain or enhance flood control benefits.
- **Hydropower Goal.** Maintain or enhance hydropower production with consideration for equitable distribution of the benefits among the tribes and states.
- **Future Depletion Goal.** Develop a mechanism for equitable allocation among the basin states and tribes of the risks of future depletions.
- **Monitoring Goal.** Develop a monitoring system that provides adequate information to characterize and understand the existing system and evaluate the impacts of changes.

As part of the Association's planning process, representatives of the basin's water interests have been invited to join task force discussions on recreation, navigation, water supply, habitat, bank/shoreline/flood control, and hydropower on June 13-14, 1996, in Bismarck. Secretary Sprynczynatyk said the charge to the task forces will be to identify ways to reach the stated goals of obtaining maximum benefits for all water users in each of the six interest areas in a manner that reflects a basin-wide perspective. He said the discussions on the first day of the conference will be focused within each of the six interest areas. On the second day of the conference, discussion groups will be reorganized to reflect a cross-section of interests and the groups will again emphasize actions that will integrate all basin interests.

The results of the task force discussions will be provided to the Missouri River Basin Association Board of Directors for its consideration and further study, with eventual presentation of the Association's recommendations to the Corps of Engineers and other federal agencies.

**APPROVAL OF RESOLUTION
96-4-468 RELATIVE TO BUFORD-
TRENTON IRRIGATION DISTRICT
BANK STABILIZATION
SWC Project Nos. 222 and 576
(SWC Resolution No. 96-4-468)**

The Buford-Trenton Irrigation District provides water to irrigate approximately 9,000 acres of land in Williams County. Secretary Sprynczynatyk stated that the right bank of the Missouri River is eroding near the Buford-Trenton Irrigation

District site. As the bank erodes, the river moves away from the pumping plant intake, allowing a sandbar to form across the intake channel. He said if the condition is allowed to continue, the District will be unable to withdraw water from the river, resulting in the loss of the ability to irrigate. The economic impact of the loss of this irrigation has been estimated to be a decline of more than \$10 million in total business activity and the loss of 130 jobs.

Section 33 of the Water Resources Development Act of 1988 directed the Secretary of Army to undertake measures to alleviate bank erosion and related problems associated with reservoir releases along the Missouri River. Secretary Sprynczynatyk explained that because of the erosion and resulting sedimentation, the Buford-Trenton Irrigation District intake site falls under the Section 33 directive. The Corps of Engineers is investigating this site to determine its eligibility for funding under Section 33, although he said the funding available to the Corps of Engineers from Section 33 has been fully allocated to other projects.

Secretary Sprynczynatyk presented a draft resolution for the Commission's consideration requesting that the Corps of Engineers construct such measures as are necessary to alleviate the potential loss of the ability to withdraw water from the Missouri River at the Buford-Trenton Irrigation District intake, and to urge Congress to provide the funding necessary to complete the project.

It was moved by Commissioner Vogel and seconded by Commissioner Ames that the State Water Commission approve Resolution No. 96-4-468 relating to Buford-Trenton Irrigation District Bank Stabilization. SEE APPENDIX "F".

Commissioners Ames, Bjornson, DeWitz, Hillesland, Olin, Swenson, Thompson, Vogel, and Chairman Schafer voted aye. There were no nay votes. The Chairman declared the motion unanimously carried.

**INTERIM LEGISLATIVE WATER
RESOURCES COMMITTEE
STATUS REPORT**

The 1995 Legislature passed Senate Concurrent Resolution No. 4033 directing the Legislative Council to study the financing and funding needs for development and completion of the state's water resources infrastructure and methods for development of a program to provide financing and funding of water supply facilities in the state. As a result of SCR 4033, the Legislative Council established a Water Resources Committee to study the state's water needs and possible funding. The interim study began on June 23, 1995.

The Legislature also passed Senate Concurrent Resolution No. 4053 directing the Legislative Council to study the state's water laws concerning their effect on the efficient use of water and their effect on the holders of senior water rights.

Secretary Sprynczynatyk indicated the next meeting of the Interim Legislative Water Resources Committee is scheduled for May 2-3, 1996, in Dickinson. The agenda includes a tour of the Southwest Pipeline Project.

NORTH DAKOTA WATER COALITION

The North Dakota Water Coalition was established in July, 1994, as an initiative of the Flagship Initiative #6 of the North Dakota Vision 2000 Report, which states, in part: "The North Dakota 2000 Committee recommends that North Dakota establish a "Coalition for Infrastructure Projects" to further develop three key elements of our state's infrastructure: water resources, telecommunications, and advanced air transportation." The Coalition is made up of about 30 entities, municipalities, and other groups from across North Dakota.

The mission of the North Dakota Water Coalition is to complete North Dakota's infrastructure for economic stability and growth, and quality of life.

The North Dakota Water Coalition goals are:

- 1) To provide an adequate water supply across North Dakota for manufacturing, industrial, energy bi-product utilization, agriculture, agricultural processing, recreation, wildlife, municipalities, and rural water systems which have inadequate supply or quality of water:
 - Complete a workable and achievable Garrison Diversion Project to provide a multiple-use water supply to central and eastern North Dakota, including the James, Sheyenne, and Red Rivers
 - Complete the Southwest Pipeline Project
 - Stabilize Devils Lake
 - Undertake and complete the Northwest Area Water Supply Project

- Secure adequate funding for the MR&I program
 - Develop multi-use statewide water impoundments for recreation, wildlife, and fishing
- 2) To complete projects to control and alleviate floodwaters and damages, including such projects as increasing the flood control capacities of the Baldhill Dam and Reservoir, the Maple River Dam, and others.

Dana Bohn, Executive Director of the North Dakota Water Coalition, said "water infrastructure is critical for the future of our state and must be adequately addressed." In conjunction with the legislative water resources interim study, the Coalition has undertaken the task of establishing water priorities for the numerous water needs of North Dakota. She explained the process of establishing the water priorities, and said that under the following outline of steps, funding of the state component of North Dakota's major water infrastructure can be considered by the Governor and the 1997 Legislature, with the support of many statewide and regional groups:

- 1) Identify statewide water needs and solutions
- 2) Establish consensus of statewide groups on inventory and priorities of statewide water needs and solutions
- 3) Establish consensus of statewide groups (through North Dakota Water Coalition) on funding options - 1996
- 4) Present consensus of water priorities and funding options to the Interim Legislative Water Resources Committee - 1996
- 5) Meet with Governor and legislative leaders regarding consensus - 1996
- 6) Present consensus to the 1997 Legislative Assembly

Ms. Bohn provided a summary report of the North Dakota Water Coalition meeting held April 29, 1996, to consider the draft North Dakota water priorities.

**APPROVAL OF RESOLUTION
NO. 96-4-469 - IN APPRECIATION
TO ARLAND C. GRUNSETH
(Resolution No. 96-4-469)**

on May 3, 1996, after 35 years of service to the State of North Dakota.

The Commission members considered a draft resolution of appreciation to Arland C. Grunseth. Mr. Grunseth is retiring as an employee of the State Water Commission staff

It was moved by Commissioner Olin, seconded by Commissioner Thompson, and unanimously carried, that the State Water Commission approve Resolution No. 96-4-469, In Appreciation to Arland C. Grunseth. SEE APPENDIX "G".

**APPROVAL OF RESOLUTION
NO. 96-4-470 - IN APPRECIATION
TO LOUIS E. (LOU) KOWALSKI
(Resolution No. 96-4-470)**

The Commission members considered a draft resolution of appreciation to Louis E. (Lou) Kowalski. Mr. Kowalski recently retired as an employee of the United States Army

Corps of Engineers. He served as the Deputy District Engineer for Project Management, and spearheaded Corps efforts on several North Dakota water projects and studies, including the Souris River Flood Control project, the Sheyenne River Flood Control project, a host of Devils Lake related projects and studies, and several smaller projects in the Red River Basin of North Dakota.

It was moved by Commissioner Thompson, seconded by Commissioner Ames, and unanimously carried, that the State Water Commission approve Resolution No. 96-4-470 - In Appreciation to Louis E. (Lou) Kowalski. SEE APPENDIX "H".

**NEXT STATE WATER
MEETING**

The State Water Commission accepted an invitation on behalf of various water groups in northwest

North Dakota to hold its June meeting in Williston. (Note: The next meeting of the Commission has been scheduled for June 19, 1996.)

**PRESENTATION BY ATMOSPHERIC
RESOURCE DIVISION DIRECTOR**

Bruce Boe, Atmospheric Resource Division Director, provided an overview of the Atmospheric

Resource Division's programs, including planning for the 1996 county-sponsored Cloud Modification Program; Cooperative Rain Gauge Network; Hail Conference in March, 1996; Cloud Physics Research; and Climatological Studies.

**DEVILS LAKE TOUR
(SWC Project No. 416)**

Following the meeting, the Commission members took an aerial tour of the Devils Lake basin.

There being no further business to come before the State Water Commission, it was moved by Commissioner Vogel, seconded by Commissioner DeWitz, and unanimously carried, that the State Water Commission meeting adjourn at 4:50 PM.

/S/ Edward T. Schafer
Edward T. Schafer
Governor-Chairman

SEAL

/S/ David A. Sprynczynatyk
David A. Sprynczynatyk
State Engineer, and
Chief Engineer-Secretary

